

Assembly Bill No. 1627

Passed the Assembly May 23, 2014

Chief Clerk of the Assembly

Passed the Senate July 3, 2014

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2014, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Section 11406 of the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

AB 1627, Gomez. Vehicles: registration services: disclosure of service fees.

Existing law defines the term “registration service” for purposes of the Vehicle Code and excludes from that definition certain activities. Existing law prohibits a person from acting as a registration service, engaging in the business of soliciting or receiving any application for the registration, renewal of registration, or transfer of registration or ownership of any vehicle of a type subject to registration under the Vehicle Code, or of soliciting or receiving an application for specified motor carrier permits, or transmitting or presenting any of those documents to the Department of Motor Vehicles, if any compensation is solicited or received for the service, without a license or temporary permit issued by the department. Under existing law, a registration service authorized by the department to engage in those activities is required to, among other things, display prominently at its place of business a sign indicating that the registration service is not a branch of the department and inform each customer of that fact. A violation of those provisions is a misdemeanor.

This bill would additionally require a registration service licensed by the department to engage in the activities described above to provide a disclosure to each customer that certain services may be provided by the department without an additional fee, as specified. By expanding the scope of an existing crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The people of the State of California do enact as follows:

SECTION 1. Section 11406 of the Vehicle Code is amended to read:

11406. (a) Every registration service shall keep accurate business records containing all of the following information:

(1) The name, address, and license number of the registration service and the name and address of every employee who performs registration work.

(2) The name and address of each client for whom registration work was performed.

(3) The identity of every vehicle by year, make, type, license number, and vehicle identification number on which registration work was performed.

(4) The amount of registration fees or payments collected for each vehicle on which registration work was performed, including the method of payment to the registration service.

(5) The amount of registration fees or payments submitted to the department for each vehicle on which registration work was performed, including the date and method of payment to the department.

(6) The amount of any refunds or additional charges on registration fees or payments collected for each vehicle on which registration work was performed, including the date and method of payment of the refund or additional charge by or to the client, the registration service, or the department.

(7) The name, signature, or initials of each employee performing work on each transaction and the date the work was done.

(8) The cost to each client for the registration work performed on each of the client's vehicles or to obtain a motor carrier permit.

(9) For each motor carrier for which motor carrier permit work was performed, the carrier identification number, business type, business address, carrier type, activities, and number of vehicles.

(10) For each motor carrier for which motor carrier permit work was performed, the amount of fees or payment collected and the method of payment.

(11) For each motor carrier for which motor carrier permit work was performed, the amount of fees or payment submitted to the department, including the date submitted and the method of payment to the department.

(b) As an alternative to maintaining the records required by paragraphs (1) to (11), inclusive, of subdivision (a), a registration service may retain a copy of the listing sheet approved by the department for transmitting registration or motor carrier permit documents to the department.

(c) Every registration service shall provide each customer with a document containing all of the information required by subdivision (a) relative to that customer's transaction, excluding paragraph (7) and excluding the addresses of employees and other customers' names and addresses. This requirement does not apply to transactions for customers of a dealer or dismantler.

(d) Every registration service shall display prominently at its place of business a sign indicating that the service is not a branch of the department and shall inform each customer of that fact.

(e) Every registration service shall provide a disclosure to each customer that the services described in Section 11400 may be provided by the department without an additional fee. If a registration service is providing a service described in Section 11400 in person, the disclosure required pursuant to this subdivision shall be in writing. If a registration service is providing a service described in Section 11400 on an Internet Web site, the disclosure required pursuant to this subdivision shall be in a conspicuous place on the Internet Web site.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

Approved _____, 2014

Governor